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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/027,664	12/20/2001	Stuart J. Solomon	12587-022001 / 01316-00/U	1128

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EXAMINER	
BORISSOV, IGOR N	
ART UNIT	PAPER NUMBER
3628	

SHORTENED STATUTORY PERIOD OF RESPONSE	MAIL DATE	DELIVERY MODE
3 MONTHS	04/06/2007	PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

If NO period for reply is specified above, the maximum statutory period will apply and will expire 6 MONTHS from the mailing date of this communication.

Office Action Summary	Application No.	Applicant(s)	
	10/027,664	SOLOMON ET AL.	
	Examiner	Art Unit	
	Igor N. Borissov	3628	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *29 March 2007*.

2a)☐ This action is **FINAL**. 2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1,3-6,8-11,13-15 and 35-51* is/are pending in the application.

4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1, 3-6, 8-11, 13-15 and 35-51* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☐ Information Disclosure Statement(s) (PTO/SB/08) Paper No(s)/Mail Date _____.
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____.
5) ☐ Notice of Informal Patent Application
6) ☐ Other: _____.

DETAILED ACTION

Claim Rejections - 35 USC § 112

The following is a quotation of the second paragraph of 35 U.S.C. 112:

> The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claims 1, 3-6, 8-11, 13-15 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Independent claims 1, 6 and 11 include the following phrase: "*enabling* a first market participants...", which is confusing. The claims does not recite the step of "*configuring* one or more business rules", but, rather, specifies the step of *enabling* of said configuring. It is not clear what method step is actually contemplated by the term *enabling*.

Furthermore, the term *is capable of* in the phrase "enabling a first market participant to configure one or more business rules, wherein each business rule *is capable of* being applied to a specific second market participant" expresses the potential capability, not an actual method step. Therefore, it is not clear should the limitations recited after the term *is capable of* be given patentable weight.

Claim Rejections - 35 USC § 101

> 35 U.S.C. 101 reads as follows:
> Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Independent claims 1, 6, 11 and 36 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. The claimed invention is not within the technological arts.

As per Claims 1, 6, 11 and 36, these claims do not recite a pre- or post-computer activity, but merely perform a series of steps of receiving, validating, communicating,

mapping, receiving, matching, determining, monitoring and tracking, and is directed to non-statutory subject matter. A process is statutory if it requires physical acts to be performed outside of the computer independent of and following the steps performed by a programmed computer, where those acts involve the manipulation of tangible physical objects and result in the object having a different physical attribute or structure (*Diamond v. Diehr*, 450 U.S. at 187, 209 USPQ at 8). Further, the claims merely manipulate an abstract idea (selecting, storing, generating and transmitting data) or perform a purely mathematical algorithm without limitation to any practical application. A process which merely manipulates an abstract idea or performs a purely mathematical algorithm is non-statutory despite the fact that it might have some inherent usefulness (*Sakar*, 558 F.2d at 1335,200 USPQ at 139).

Furthermore, in determining whether the claimed subject matter is statutory under 35 U.S.C. 101, a practical application test should be conducted to determine whether a "useful, concrete and tangible result" is accomplished. See *AT&T Corp. v. Excel Communications, Inc.*, 172 F.3d 1352, 1359-60, 50 USPQ2d 1447, 1452-53 (Fed. Cir. 1999); *State Street Bank & Trust Co. v. Signature Financial Group, Inc.*, 149 F.3d 1368, 1373, 47 USPQ2d 1596, 1600 (Fed. Cir. 1998).

An invention, which is eligible or patenting under 35 U.S.C. 101, is in the "useful arts" when it is a machine, manufacture, process or composition of matter, which produces a concrete, tangible, and useful result. The fundamental test for patent eligibility is thus to determine whether the claimed invention produces a "use, concrete and tangible result". The test for practical application as applied by the examiner involves the determination of the following factors":

(a) "Useful" – The Supreme Court in *Diamond v. Diehr* requires that the examiner look at the claimed invention as a whole and compare any asserted utility with the claimed invention to determine whether the asserted utility is accomplished. Applying utility case law the examiner will note that:

i. the utility need not be expressly recited in the claims, rather it may be inferred.

ii. if the utility is not asserted in the written description, then it must be well established.

(b) "Tangible" – Applying *In re Warmerdam*, 33 F.3d 1354, 31 USPQ2d 1754 (Fed. Cir. 1994), the examiner will determine whether there is simply a mathematical construct claimed, such as a disembodied data structure and method of making it. If so, the claim involves no more than a manipulation of an abstract idea and therefore, is nonstatutory under 35 U.S.C. 101. In *Warmerdam* the abstract idea of a data structure became capable of producing a useful result when it was fixed in a tangible medium, which enabled its functionality to be realized.

(c) "Concrete" – Another consideration is whether the invention produces a "concrete" result. Usually, this question arises when a result cannot be assured. An appropriate rejection under 35 U.S.C. 101 should be accompanied by a lack of enablement rejection, because the invention cannot operate as intended without undue experimentation.

The claims, as currently recited, appear to be directed to nothing more than a series of steps including receiving, validating, mapping, receiving, matching, determining, monitoring and transmitting data without any useful, concrete and tangible result and are therefore deemed to be non-statutory. While these numbers may be concrete and/or tangible, there does not appear to be any useful result.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

Claims 1, 3-6, 8-11, 13-15 and 35-51 are rejected under 35 U.S.C. 103(a) as being unpatentable over Walker et al. (US 2002/0169664) in view of Gharavy (US 2003/0004840).

Claim 36.

Receiving electronically, at a computer system, a first transaction record from an organization, the first transaction record being received according to a first protocol, and the first transaction record having a first format and including first transaction data stored in the first format and describing a completed first transaction between the organization and a customer [0033];

formatting data according to the Common Gateway Interface (CGI) format or another format for passing data from a network client to a server [0048];

accessing, by the computer system and based on information in the first transaction record, a first business rule configured by the organization and describing a second transaction expected to be completed between the organization and the customer in response to the completed first transaction [0192]; [0155]; [0157];

waiting, by the computer system, for reception of a second transaction record from the organization including second transaction data describing completion of the second transaction [0033].

Walker does not explicitly teach that said formatting data includes converting, by the computer system, the first transaction data from the first format into another format.

Gharavy teaches a method and system for performing collective validation of credential information, comprising: during said validation of transmitted data, converting data format in the format usable by the rule engine, for example *standard format* [0025]; [0105].

It would have been obvious to one having ordinary skill in the art at the time the invention was made to modify Walker to include converting, by the computer system, the first transaction data from the first format into another format, as disclosed in Gharavy, because it would advantageously simplify the processing of said data, as well as allow to accommodate clients executed on various platforms.

Claims 37-38. See reasoning applied to Claim 36. Furthermore, teachings of Walker in view of Gharavy would allow the repetition of the recited steps.

Furthermore, Walker teaches:

Claim 39-40,

receiving the second transaction record from the organization, the second transaction record being received according to the first protocol, and the second transaction record having the first format and including the second transaction data stored in the first format and describing a completed second transaction between the organization and the customer [0033];

determining whether the first business rule is satisfied by the second transaction data; and informing the organization of whether the first business rule is satisfied [0192]; [0155]; [0157]. (As per formatting step per se see reasoning applied to claim 36).

Claim 41. Receiving a third transaction record from the organization, the third transaction record being received according to the first protocol, and the third transaction record having the first format and including the third transaction data stored in the first format and describing a completed third transaction between the organization and the customer [0033];

determining that the third transaction is an unexpected (additional) transaction, an unexpected (additional) transaction being a transaction that is expected to succeed a given transaction that has not been completed; and informing the organization that the third transaction is an unexpected (additional) transaction [0192]; [0155]; [0157]. (As per formatting step per se see reasoning applied to claim 36).

Claim 42. Receiving a third transaction record from another organization, the third transaction record being received according to another protocol, and the third transaction record having another format and including third transaction data stored in the another format and describing a completed third transaction between the another organization and another customer [0033];

accessing, based on information in the third transaction record, a third business rule configured by the another organization and describing a fourth transaction

expected to be completed between the another organization and the another customer in response to the completed third transaction [0192]; [0155]; [0157];

waiting for reception of a fourth transaction record from the another organization including fourth transaction data describing completion of the fourth transaction [0033]. (As per formatting step per se see reasoning applied to claim 36).

Claims 43-44. Receiving the fourth transaction record from the another organization, the fourth transaction record being received according to the another protocol, and the fourth transaction record having the another format and including the fourth transaction data stored in the another format and describing a completed fourth transaction between the another organization and the another customer [0033];

determining, by the computer system, that the third business rule is satisfied by the fourth transaction data [0048];

accessing, based on the third business rule being satisfied, a fourth business rule configured by the another organization and describing a fifth transaction expected to be completed between the another organization and the another customer in response to the completed fourth transaction [0192]; [0155]; [0157];

waiting for reception of a fifth transaction record from the another organization including fifth transaction data describing completion of the fifth transaction. (As per formatting step per se see reasoning applied to claim 36).

Claims 45-47. See reasoning applied to Claim 36. Furthermore, teachings of Walker in view of Gharavy would allow the repetition of the recited steps.

Claims 48-51. See reasoning applied to Claim 36. Information as to the specifics of the organization cannot change the method steps recited, therefore cannot distinguish said method steps from the prior art in terms of patentability.

Walker teaches a method and system for providing offers using a billing statement, comprising:

Claims 1, 6 and 11.

Providing business rules which are configured by a market participant (user) [0155];

receiving offer including a transaction-related information (portion) and specified amount which is to be charged during said transaction if said offer is accepted (expected related response portion) [0033];

formatting data according to the Common Gateway Interface (CGI) format or another format for passing data from a network client to a server [0048];

receiving information related to an acceptance for the offer (expected related response) [0157];

matching information related to an acceptance (expected related response) with alternative offer related to the same transaction (transaction-related portion) [0157];

determining whether said received information satisfies at least one configurable business rule [0192], wherein the configurable business rule specifies a relationship between the received business transaction and the subsequent business transaction [0192]; [0155]; [0157];

establishing information related to subsequent business transaction based on said determination [0192]; [0155]; [0157].

Walker does not explicitly teach that said formatting data includes converting, by the computer system, the first transaction data from the first format into another format.

Also, Walker does not specifically teach *validating said information related to at least on business transaction; communicating to the first market participant validation results of said at least on business transaction; and enabling the market participant to track a status of said information related to the business transaction and the subsequent business transaction.*

Gharavy teaches said method and system for performing collective validation of credential information, wherein:

credential data of a transaction is *validated* [0025]; [0105];

during said validation said data is *converted* in the format usable by the rule engine, for example *standard format* [0025]; [0105];

tracking information related to said credential data [0030].

Furthermore, Gharavy teaches that the transaction is approved based on the successful validation results, thereby indicating *communicating* to *market participants validation results of said at least on business transaction (*Fig. 4; [0125]).

It would have been obvious to one having ordinary skill in the art at the time the invention was made to modify Walker to include validating said information related to at least on business transaction; and tracking information related to said credential data, as disclosed in Gharavy, because it would advantageously enhance accuracy of the system, and make it more secure. And it would have been obvious to one having ordinary skill in the art at the time the invention was made to modify Walker to include that said data is converted in the standard format, as disclosed in Gharavy, because it would advantageously simplify the processing of said data, as well as allow to accommodate clients executed on various platforms.

Claims 3, 8 and 13. Walker teaches said method and system, wherein the configurable business rule is configured based on at least one of a jurisdiction associated with the received business transaction, a time relationship between the received business transaction and a subsequent business transaction, and a business event associated with the received business transaction [0162].

Claims 4, 9 and 14. Walker teaches processing business transactions representing different formats [0048].

Claims 5, 10 and 15. Walker teaches rejecting a requested transaction if this transaction does not satisfy business rules [0093].

Claim 35. Walker in view of Gharavy teaches all the limitations of Claim 35, except specifically teaching a second processor configured to access the processor. It

would have been obvious to one having ordinary skill in the art at the time the invention was made to modify Walker and Gharavy to include a second processor configured to access the processor, since it has been held that mere duplication of the essential working parts of a device involves only routine skill in the art. *St. Regis Paper Co. v. Bemis Co.*, 193 USPQ 8.

Response to Arguments

Applicant's arguments filed 5/02/2006 have been fully considered but they are not persuasive.

In response to applicant's argument that Walker fails to disclose *receiving a second transaction record from an organization that configured a business rule, the second transaction record describing completion of a second transaction between the organization and a customer*, it is noted that the features upon which applicant relies are not recited in the rejected claim(s). Although the claims are interpreted in light of the specification, limitations from the specification are not read into the claims. See *In re Van Geuns*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993).

In response to applicant's argument that the prior art fails to disclose "communicating to the first market participant receipt of the electronic data representing the business transaction and validation results of the electronic data representing the business transaction", it is noted that Walker teaches communicating to the first market participant electronic data representing the business transaction. As per "validation" step per se, Gharavy was applied for this feature. Specifically, Gharavy validating credential data representing a transaction [0025]; [0105].

In response to applicant's argument that there is no suggestion to combine the references, the examiner recognizes that obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either in the

references themselves or in the knowledge generally available to one of ordinary skill in the art. See *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988)and *In re Jones*, 958 F.2d 347, 21 USPQ2d 1941 (Fed. Cir. 1992). In this case, both Walker and Gharavy relate to handling transactions. The motivation to combine references to incorporate the "validating" step would be to enhance accuracy of the system, and make it more secure. And the motivation to combine references to incorporate the "formatting" step would be to simplify the processing of transaction data, as well as allow to accommodate clients executed on various platforms.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Igor Borissov whose telephone number is 571-272-6801. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, John Hayes can be reached on 571-272-6708. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

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4/02/2007

IGOR N. BORISSOV
PRIMARY EXAMINER